1 DEMETRAS & O'NEILL J. Craig Demetras 2 State Bar No. 4246 E-FILED ON APRIL 10, 2013 Shelly T. O'Neill 3 State Bar No. 986 4 230 E. Liberty Street Reno, Nevada 89501 5 (775) 348-4600 6 (775) 348-9315 Facsimile 7 Attorneys for Finley River LLC 8 Hillcrest Mining Company, LLC and Hi-Tech Exploration, LTD 9 10 IN THE UNITED STATES BANKRUPTCY COURT 11 FOR THE DISTRICT OF NEVADA 12 IN RE: Case No. BK-N-13-50301-MKN 13 Chapter 11 14 RODEO CREEK GOLD, INC. **OBJECTION TO PROPOSED CURE AMOUNT** 15 16 Debtor. Hearing Date: May 2, 2013 17 Hearing Time: 1:30 p.m. 18 19 Finley River Company, LLC (Finley River), Hillcrest Mining Company, LLC 20 (Hillcrest) and Hi-Tech Exploration, LTD (Hi-Tech), by and through their counsel, J. 21 Craig Demetras, of Demetras & O'Neill, hereby file their objection to the cure amount 22 and the assumption, assignment and cure procedures proposed within the *Notice of* 23 Possible Sale, Assumption, and Assignment of Certain Unexpired Leases and Executory 24 Contracts and Sale Hearing (the "Notice"). (Doc.# 121). In support of their opposition, 25 Finley River, Hillcrest and Hi-Tech represent as follows: 26 1. On April 4, 2013, Finley River, Hillcrest, and Hi-Tech filed their Reservation 27 of Rights (Doc. 325) in which they requested insertion of language in the DIP post-28

petition financing order which would reserve their rights concerning the nature, extent and amount of their claims in the bankruptcy case. The Reservation of Rights and the attached exhibits are hereby incorporated by reference.

- 2. After notice and a hearing, on April 8, 2013, the Court entered a Final Order on the postpetition financing (Doc #342) which included the requested reservation of rights (Doc. #342, Royalty Claimant Claims, paragraph 33).
 - 3. The Notice has listed the following claimants and cure amounts:
- a. Finley River Company, contract id. 261, Memorandum Agreement, cure amount \$0.00;
- b. Finley River Company, contract id. 131, Royalty Agreement, cure amount \$181,758.00;
- c. Finley River Company, contact id. 262, Lease Agreement, cure amount \$0.00.
- d. Hi-Tech Exploration, contract id. 140, Memorandum of Agreement, cure amount \$0.00;
- e. Hi-Tech Exploration, contract id. 264, Lease Agreement, cure amount \$0.00;
- f. Hillcrest Mining Co., contract id 141, 1) Royalty Agreement, 2)

 Amendment to Auric Hillcrest Mineral Lease and Assignment of Interest, and 3)

 Amendment and Ratification of Mining Lease and Sublease, cure amount \$181,758;
- g. Hillcrest Mining Co, contract id 263, Lease Agreement, cure amount \$0.00
- h. Hillcrest Mining Col, contract id 260, Memorandum of Agreement, cure amount \$0.00.
- 4. As stated in their *Reservation of Rights* (Doc. #325), Hillcrest, Finley River, and Hi-Tech have asserted their separate property interests are not property of the estate and may not be treated as executory contracts which can be rejected, cured, assumed, assigned, or affected in any way by these bankruptcy proceedings.

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- 5. The DIP Financing Order provides that Finley River, Hillcrest, and Hi-Tech may assert a claim, interest, charge or assessment against any and all payments or proceeds remitted to the DIP agent, on behalf of the DIP Lenders, or to the Existing Hollister Agent and the Canadian DIP Agent, on behalf of the applicable Existing Lenders, respectively, for any and all amounts due and owing by the Debtors as well as any and all other rights and remedies that they may be required to assert to protect their interests.
- 6. To the extent that the Court determines that contracts of these claimants are executory contracts which can be cured and assumed, each of these claimants object to the proposed cure amounts. At a minimum, the \$181,758 cure amounts for Finley River and Hillcrest may not be accurate for the 4th Quarter 2012, and that amount does not include any amounts due for the 1st Quarter 2013. No information has been provided to either company concerning the 1st Quarter accounting. No information was provided at the 341 hearing concerning the nature and extent of the Debtors' operations on the Robbie Claims owned by Hi-Tech.

Based upon the foregoing, Finley River, Hillcrest and Hi-Tech hereby file their objections to the Notice and request an opportunity to have these issues determined by the Court by separate notice, motion and hearing in these proceedings, and for further additional relief as the Court deems appropriate under the circumstances.

DATED this 10th day of April, 2013.

Demetras & O'Neill /s/ J. Craig <u>Demetras</u> By: J. Craig Demetras Attorney for Finley River LLC Hillcrest Mining Company, LLC Hi-Tech Exploration, LTD